



Joint Standing Committee on Electoral Matters	
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FCS OnLine

**ADDITIONAL SUBMISSION RE ELECTORAL ROLL  
TO JOINT STANDING COMMITTEE ON ELECTORAL MATTERS  
SYDNEY, 12 AUGUST 2005**

### **Anti Money Laundering, Terrorist Financing**

Since making our submission of 31 March 2005, the issues of anti-money laundering and terrorist financing have come more into public view.

Recommendation 5 of the Financial Action Task Force on Money Laundering was to the following effect: "Financial institutions should undertake customer due diligence measures including identifying and verifying the identity of their customers when" establishing business relations etc., and that should be done "using reliable, independent source documents, data or information". We understand that the implementation of The Forty Recommendations are likely to be implemented by the Government. There are also related recommendations in relation to terrorist financing.

### **Independent verification**

The above refers to "independent" data to be used for verification. A major problem with identity fraud is that a document (e.g. a driver's licence) is presented in verification of identity, but is a fake. Therefore some *independent* means of verification needs to be available.

### **Summary of our Submission**

Our submission of 31 March 2005 was that the legislation and regulations be amended so as to permit the use of the electoral roll including old versions for the purpose of verification of a person's particulars where the person concerned has consented to verification from time to time of personal particulars.

### **Permitted purpose**

We submitted that a regulation be created and proposed some wording for it. We now set out alternative wording for the regulation, to achieve the same result.

"Pursuant to s91A(2a)(c), the following is prescribed to be included in "permitted purposes" for the purposes of s91A(2A):

the purpose of verification of a person's particulars when the person concerned has consented to verification from time to time of personal particulars

and it is hereby further prescribed for the purposes of s91B(3) that no such purpose is a commercial purpose.

**Commercial purpose**

The Act provides that ER information shall not be used “for a commercial purpose”.

In case there should be doubt about whether the above permitted purposes may be considered a “commercial purpose”, the Act should be amended to except the above purposes. This could be by adding words along the following lines to s91B(3):

“A commercial purpose shall not include any purpose that is prescribed not to be a commercial purpose, for the purposes of this section.”

**Submissions by other parties**

We have also now had the opportunity of seeing other submissions from the credit control industry. Our company is a provider of services to that industry. We broadly agree with the points made, to the following effect:

- Fraud and granting of credit are major issues – although we have even wider issues these days (e.g. see above re money laundering and terrorist financing).
- For more than 30 years it has been the practice of the credit industry to check electoral roll entries to verify identity.
- Since the advent of the Privacy Act in 1988, permission has always been obtained to do this.
- There is the potential for very adverse effects on small business if credit granting cannot be made with confidence brought about by accurate identity checking.

We would also add that an M.P. recently made the point that it is simply not possible for any of us to borrow money without surrendering privacy – for example, banks will want to see copies of tax returns and much personal financial information, which is of a highly confidential nature – compared with simple electoral roll details (which after all are a matter of public record anyway).

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